



General Assembly

February Session, 2016

***Raised Bill No. 5378***

LCO No. 1888



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

***AN ACT CONCERNING THE STANDARD RATE OF WAGES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 31-57f of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2016*):

3 (a) As used in this section: (1) "Required employer" means any  
4 provider of food, building, property or equipment services or  
5 maintenance listed in this subdivision whose rate of reimbursement or  
6 compensation is determined by contract or agreement with the state or  
7 any quasi-public agency or any state agent: (A) Building, property or  
8 equipment service companies; (B) management companies providing  
9 property management services; and (C) companies providing food  
10 preparation or service, or both; (2) "state agent" means any state  
11 official, state employee or other person authorized to enter into a  
12 contract or agreement on behalf of the state or a quasi-public agency;  
13 (3) "person" means one or more individuals, partnerships, associations,  
14 corporations, business trusts, legal representatives or organized  
15 groups of persons; (4) "building, property or equipment service" means  
16 any janitorial, cleaning, maintenance, security or related service; (5)  
17 "prevailing rate of wages" means the hourly wages paid for work

18 performed within the city of Hartford under the collective bargaining  
19 agreement covering the largest number of hourly nonsupervisory  
20 employees employed within Hartford County in each classification  
21 established by the Labor Commissioner under subsection (e) of this  
22 section, provided the collective bargaining agreement covers no less  
23 than five hundred employees in the classification; (6) "prevailing rate  
24 of benefits" means the total cost to the employer on an hourly basis for  
25 work performed within the city of Hartford, under a collective  
26 bargaining agreement that establishes the prevailing rate of wages, of  
27 providing health, welfare and retirement benefits, including, but not  
28 limited to, (A) medical, surgical or hospital care benefits; (B) disability  
29 or death benefits; (C) benefits in the event of unemployment; (D)  
30 pension benefits; (E) vacation, holiday and personal leave; (F) training  
31 benefits; and (G) legal service benefits, and may include payment  
32 made directly to employees, payments to purchase insurance and the  
33 amount of payment or contributions paid or payable by the employer  
34 on behalf of each employee to any employee benefit fund; (7)  
35 "employee benefit fund" means any trust fund established by one or  
36 more employers and one or more labor organizations or one or more  
37 other third parties not affiliated with such employers to provide,  
38 whether through the purchase of insurance or annuity contracts or  
39 otherwise, benefits under an employee health, welfare or retirement  
40 plan, but does not include any such fund where the trustee or trustees  
41 are subject to supervision by the Banking Commissioner of this state or  
42 of any other state, or the Comptroller of the Currency of the United  
43 States or the Board of Governors of the Federal Reserve System; [and]  
44 (8) "benefits under an employee health, welfare or retirement plan"  
45 means one or more benefits or services under any plan established or  
46 maintained for employees or their families or dependents, or for both,  
47 including, but not limited to, medical, surgical or hospital care  
48 benefits, benefits in the event of sickness, accident, disability or death,  
49 benefits in the event of unemployment, retirement benefits, vacation  
50 and paid holiday benefits, legal service benefits or training benefits;  
51 and (9) "quasi-public agency" has the same meaning as provided in

52 section 1-120.

53 (b) On and after July 1, 2000, the wages paid on an hourly basis to  
54 any employee of a required employer in the provision of food,  
55 building, property or equipment services provided to the state  
56 pursuant to a contract or agreement with the state or any quasi-public  
57 agency or any state agent, shall be at a rate not less than the standard  
58 rate determined by the Labor Commissioner pursuant to subsection (g)  
59 of this section.

60 (c) Any required employer or agent of such employer that violates  
61 subsection (b) of this section shall pay a civil penalty in an amount not  
62 less than two thousand five hundred dollars but not more than five  
63 thousand dollars for each offense. The contracting department of the  
64 state that has imposed such civil penalty on the required employer or  
65 agent of such employer shall, within two days after taking such action,  
66 notify the Labor Commissioner, in writing, of the name of the  
67 employer or agent involved, the violations involved and steps taken to  
68 collect the fine.

69 (d) The Labor Commissioner may make complaint to the proper  
70 prosecuting authorities for the violation of any provision of subsection  
71 (b) of this section.

72 (e) For the purpose of predetermining the standard rate of covered  
73 wages on an hourly basis, the Labor Commissioner shall establish  
74 classifications for all hourly nonsupervisory employees based on the  
75 applicable occupation codes and titles set forth in the federal Register  
76 of Wage Determinations under the Service Contract Act of 1965, 41  
77 USC 351, et seq., provided the Labor Commissioner shall classify any  
78 individual employed on or before July 1, 2009, as a grounds  
79 maintenance laborer or laborer as a janitor, and shall classify any  
80 individual hired after July 1, 2009, performing the duty of grounds  
81 maintenance laborer, laborer or janitor as a light cleaner, heavy  
82 cleaner, furniture handler or window cleaner, as appropriate, [ The]

83 and shall classify any individual employed on and after July 1, 2016, as  
84 a housekeeping aide as a light cleaner. Subject to the provisions of  
85 subsection (h) of this section, the Labor Commissioner shall then  
86 determine the standard rate of wages for each classification of hourly  
87 nonsupervisory employees which shall be (1) the prevailing rate of  
88 wages paid to employees in each classification, or if there is no such  
89 prevailing rate of wages, the minimum hourly wages set forth in the  
90 federal Register of Wage Determinations under the Service Contract  
91 Act, plus (2) the prevailing rate of benefits paid to employees in each  
92 classification, or if there is no such prevailing rate of benefits, a thirty  
93 per cent surcharge on the amount determined in subdivision (1) of this  
94 subsection to cover the cost of any health, welfare and retirement  
95 benefits or, if no such benefits are provided to the employees, an  
96 amount equal to thirty per cent of the amount determined in  
97 subdivision (1) of this section, which shall be paid directly to the  
98 employees. The standard rate of wages for any employee entitled to  
99 receive such rate on or before July 1, 2009, shall not be less than the  
100 minimum hourly wage for the classification set forth in the federal  
101 Register of Wage Determinations under the Service Contract Act plus  
102 the prevailing rate of benefits for such classification for as long as that  
103 employee continues to work for a required employer.

104 (f) Required employers with employees covered by collective  
105 bargaining agreements which call for wages and benefits that are  
106 reasonably related to the standard rate of wages shall not be  
107 economically disadvantaged in the bidding process, provided the  
108 collective bargaining agreement was arrived at through arms-length  
109 negotiations.

110 (g) (1) The Labor Commissioner shall, in accordance with subsection  
111 (e) of this section, determine the standard rate of wages for each  
112 classification on an hourly basis where any covered services are to be  
113 provided, and the state agent empowered to let such contract shall  
114 contact the Labor Commissioner at least ten days prior to the date such  
115 contract will be advertised for bid, to ascertain the standard rate of

116 wages and benefits and shall include the required number of hours  
117 necessary for the performance of such contract and the standard rate of  
118 wages and benefits on an hourly basis for all classifications of  
119 employment in the proposal for the contract and shall include a  
120 worksheet, in a form prescribed by the commissioner, listing the cost  
121 details of such required number of hours. The standard rate of wages  
122 [on an hourly basis] and benefits shall, at all times, be considered the  
123 minimum rate for the classification for which it was established.

124 (2) Each required employer shall indicate in a proposal for a  
125 contract or agreement with the state or any quasi-public agency or any  
126 state agent for the provision of food, building, property or equipment  
127 service whether the employees providing such food, building,  
128 property or equipment service are covered by collective bargaining  
129 agreements and, if so, such required employer shall provide a copy of  
130 such collective bargaining agreements to the state or quasi-public  
131 agency or state agent.

132 (h) Commencing on and after October 1, 2017, and not later than  
133 each October first thereafter the administrator shall announce an  
134 adjustment in the standard rate of wages that shall be equal to (1) the  
135 percentage increase between the last complete calendar year and the  
136 previous calendar year in the consumer price index for urban wage  
137 earners and clerical workers in the northeast urban area of New York-  
138 Northern New Jersey-Long Island, NY-NJ-CT-PA, with no seasonal  
139 adjustment, as calculated by the United States Department of Labor's  
140 Bureau of Labor Statistics, with the amount of the standard rate of  
141 wages increase rounded to the nearest five cents, or (2) the current  
142 standard rate of wages, whichever is greater. The standard rate of  
143 wages increase announced by the administrator not later than October  
144 first shall become the new standard rate of wages and shall be effective  
145 on the January first immediately following.

146 [(h)] (i) Where a required employer is awarded a contract to  
147 perform services that are substantially the same as services that have

148 been rendered under a predecessor contract, such required employer  
149 shall retain, for a period of ninety days, all employees who had been  
150 employed by the predecessor to perform services under such  
151 predecessor contract, except that the successor contract need not retain  
152 employees who worked less than fifteen hours per week or who had  
153 been employed at the site for less than sixty days. During such ninety-  
154 day period, the successor contract shall not discharge without just  
155 cause an employee retained pursuant to this subsection. If the  
156 performance of an employee retained pursuant to this subsection or  
157 section 4a-82 is satisfactory during the ninety-day period, the successor  
158 contractor shall offer the employee continued employment for the  
159 duration of the successor contract under the terms and conditions  
160 established by the successor contractor, or as required by law. The  
161 provisions of this subsection shall not apply to any contract covered by  
162 section 31-57g or subsections (n) and (o) of section 4a-82.

163     [(i)] (j) Each required employer subject to the provisions of this  
164 section shall (1) keep, maintain and preserve such records relating to  
165 the wages and hours worked by each employee and a schedule of the  
166 occupation or work classification at which each person is employed  
167 during each work day and week in such manner and form as the Labor  
168 Commissioner establishes to assure the proper payments due to such  
169 employees, and (2) [annually] monthly or upon written request,  
170 submit to the contracting state agent by mail, electronically or in such  
171 other method is permitted by such state agent, a certified payroll  
172 [which] that shall consist of a complete copy of such records  
173 accompanied by a statement signed by the employer which indicates  
174 that (A) such records are correct, (B) the rate of wages paid to each  
175 employee is not less than the standard rate of wages required by this  
176 section, (C) such employer has complied with the provisions of this  
177 section, and (D) such employer is aware that filing a certified payroll  
178 which it knows to be false is a class D felony for which such employer  
179 may be fined not more than five thousand dollars or imprisoned not  
180 more than five years, or both. Notwithstanding the provisions of

181 section 1-210, the certified payroll shall be considered a public record  
182 and every person shall have the right to inspect and copy such record  
183 in accordance with the provisions of section 1-212. The provisions of  
184 subsections (a) and (b) of section 31-59, section 31-66 and section 31-69  
185 which are not inconsistent with the provisions of this section shall  
186 apply. Any person who files a false certified payroll in violation of  
187 subdivision (2) of this subsection shall be guilty of a class D felony for  
188 which such person may be fined not more than five thousand dollars  
189 or imprisoned not more than five years, or both.

190 [(j)] (k) This section shall not apply to contracts, agreements or  
191 grants which do not exceed forty-nine thousand nine hundred ninety-  
192 nine dollars per annum.

193 [(k)] (l) On receipt of a complaint for nonpayment of the standard  
194 rate of wages, the Labor Commissioner, the Director of Wage and  
195 Workplace Standards and wage enforcement agents of the Labor  
196 Department shall have power to enter, during usual business hours,  
197 the place of business or employment of any employer to determine  
198 compliance with this section, and for such purpose may examine  
199 payroll and other records and interview employees, call hearings,  
200 administer oaths, take testimony under oath and take depositions in  
201 the manner provided by sections 52-148a to 52-148e, inclusive. The  
202 commissioner or the director, for such purpose, may issue subpoenas  
203 for the attendance of witnesses and the production of books and  
204 records. Any required employer, an officer or agent of such employer,  
205 or the officer or agent of any corporation, firm or partnership who  
206 wilfully fails to furnish time and wage records as required by law to  
207 the commissioner, the director or any wage enforcement agent upon  
208 request or who refuses to admit the commissioner, the director or such  
209 agent to a place of employment or who hinders or delays the  
210 commissioner, the director or such agent in the performance of any  
211 duties in the enforcement of this section shall be fined not less than  
212 twenty-five dollars nor more than one hundred dollars, and each day  
213 of such failure to furnish time and wage records to the commissioner,

214 the director or such agent shall constitute a separate offense, and each  
 215 day of refusal of admittance, of hindering or of delaying the  
 216 commissioner, the director or such agent shall constitute a separate  
 217 offense.

218 [(l)] (m) Notwithstanding subsection [(j)] (k) of this section, any  
 219 employer that pays the state for a franchise to provide food  
 220 preparation or service, or both, for the state shall be required to certify  
 221 that the wages and benefits paid to its employees are not less than the  
 222 standard rate established pursuant to this section, provided, if no  
 223 prevailing rate of wages or benefits was in effect at the time the state  
 224 entered into a franchise agreement, then the employer shall not be  
 225 required to pay the prevailing rate of wages or benefits during the life  
 226 of the agreement, unless the agreement is amended, extended or  
 227 renewed.

228 [(m)] (n) The Labor Commissioner may adopt regulations, in  
 229 accordance with chapter 54, to carry out the provisions of this section.

230 [(n)] (o) The provisions of this section and any regulation adopted  
 231 pursuant to subsection [(m)] (n) of this section shall not apply to any  
 232 contract or agreement entered into before July 1, 2000.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	31-57f

***Statement of Purpose:***

To include security services in the definition of "building, property or equipment service" and to classify housekeeping aides as light cleaners for the purposes of the standard wage and to index the standard rate of wages to the consumer price index.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*